

Message Text

CONFIDENTIAL

PAGE 01 OECD P 02916 292126Z

70

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 L-03 SSO-00 /023 W

----- 092159

O 292120Z JAN 76

FM USMISSION OECD PARIS

TO SECSTATE WASH DC IMMEDIATE 0374

C O N F I D E N T I A L OECD PARIS 02916

E.O. 11652: GDS

TAGS: ENRG, OECD

SUBJECT: IEA: DEPARTMENT STATEMENT ON CONCLUSION OF IEA
LONG TERM PROGRAM

FOR KATZ FROM ENDERS

1. CONCUR IN STATEMENT AS REVISED, SUBJECT TO
FOLLOWING COMMENTS:

A. REPLACE "TO A CONTINGENCY AGREEMENT THAT WOULD
NOT ALLOW IMPORTED OIL TO BE SOLD IN OUR DOMESTIC
ECONOMIES BELOW A COMMON FIXED PRICE OF \$7.00 PER
BARREL. THIS MINIMUM SUPPORT PRICE WILL..." WITH
"TO UNDERTAKE NOT TO ALLOW IMPORTED OIL TO BE SOLD IN
OUR DOMESTIC ECONOMIES BELOW A COMMON FIXED PRICE OF
\$7.00 PER BARREL FOB PERSIAN GULF. THIS MINIMUM SUPPORT
PRICE IS A STANDBY SYSTEM DESIGNED TO..."

B. DELETE REST OF SENTENCE AFTER "THE NEW PROGRAM
PROVIDES A FRAMEWORK WITHIN WHICH NATIONAL EFFORTS TO
REDUCE OUR EXCESSIVE DEPENDENCE" AND INSERT IN ITS
PLACE "ON IMPORTED ENERGY CAN BE TIED TOGETHER AND
REINFORCED. IT IS INTENDED TO INSURE THAT THE COSTS
AND BENEFITS OF THESE EFFORTS ARE SHARED EQUITABLY."
THEN CONTINUE WITH "IT ASSERTS..."

C. BELIEVE STATEMENT SHOULD CONTAIN MORE DETAIL ON
OUR VIEW OF EXPORT ASSURANCES UNDER PROJECT BY PROJECT
APPROACH ALONG FOLLOWING LINES FOR INSERTION IN PARA
EXPLAINING BEST ENDEAVORS AND MSP AUTHORITIES: THE
EXECUTIVE BRANCH HAS BEEN GIVEN THE AUTHORITY TO PERMIT
EXPORTS OF ENERGY TO FOREIGN PARTICIPANTS IN JOINT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 OECD P 02916 292126Z

PROJECTS IN CERTAIN CIRCUMSTANCES. IN SOME CASES,

CONGRESSIONAL AUTHORIZATION WOULD BE REQUIRED. THE UNITED STATES HAS MADE CLEAR TO ITS IEA PARTNERS THAT WE ARE WILLING TO CONSIDER POSSIBLE JOINT PROJECTS IN ALL AREAS, ALTHOUGH ENVIRONMENTAL AND OTHER FACTORS CONSTRAIN U.S. MORE IN SOME AREAS THAN IN OTHERS.

2. BELIEVE WE SHOULD HAVE Q'S AND A'S PREPARED FOR POSSIBLE USE AS WELL. IN PARTICULAR, WE SHOULD HAVE ANSWERS TO POSSIBLE QUESTION ON DETAILS OF OUR POSITION CONCERNING MSP COMMITMENT AND CANADIAN EXCEPTION FROM CHAPTER V.

3. ON FORMER, WE SHOULD STRESS NATURE OF OUR COMMITMENT, I.E. IF WE DO NOT ALREADY HAVE MSP AUTHORITY AT TIME WHEN ACTIVATION APPEARS LIKELY, WE MUST "SEEK" SUCH AUTHORITY FROM CONGRESS. IF ASKED WHETHER WE HAVE AUTHORITY NOW TO MAINTAIN MSP, REPLY SHOULD BE THAT THE NATIONAL SECURITY PROVISIONS OF THE TRADE EXPANSION ACT ARE ONE POSSIBLE SOURCE OF AUTHORITY TO MAINTAIN THE MSP, BUT IT WOULD BE THE POLICY OF THE ADMINISTRATION TO CONSULT WITH THE CONGRESS BEFORE DECIDING WHETHER TO USE THEM FOR THAT PURPOSE, OR TO SEEK ADDITIONAL AUTHORITY.

4. ON CANADA, ANSWER SHOULD STATE THAT CANADA, PRIMARILY BECAUSE OF ITS PARTICULAR CONSTITUTIONAL STRUCTURE WHICH GIVES THE PROVINCES JURISDICTION OVER ENERGY PRICES, ETC., WAS NOT ABLE TO ACCEPT ALL OF THE ELEMENTS OF THE BEST EFFORTS UNDERTAKING CONTAINED IN CHAPTER V. HOWEVER, CANADA HAS PLEDGED TO PARTICIPATE FULLY IN THE REVIEW PROCESSES FORESEEN IN THE LONG-TERM PROGRAM, INCLUDING CHAPTER V, AND HAS PROMISED TO TAKE FULL ACCOUNT OF SUCH ASSESSMENTS OF CANADA'S POLICY AS ARE MADE DURING SUCH REVIEWS.
TURNER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, EXPORTS, INTERGOVERNMENTAL COOPERATION, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 29 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976OECDP02916
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760034-0760
From: OECD PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t1976019/aaaaahsa.tel
Line Count: 95
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 22 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22 APR 2004 by BoyleJA>; APPROVED <12 AUG 2004 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: IEA: DEPARTMENT STATEMENT ON CONCLUSION OF IEA LONG TERM PROGRAM
TAGS: ENRG, OECD, IEA
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006